

**Workforce Solutions Deep East Texas  
Board Meeting Minutes  
415 S. First Street, Suite 110B, Lufkin, TX 75901  
June 20, 2023**

**I. CHAIR KELLI MARSHALL CALLED THE BOARD MEETING TO ORDER AT 2:36 P.M.**

**MS. MARSHALL ANNOUNCED IN ACCORDANCE WITH GUIDANCE FROM THE TEXAS WORKFORCE COMMISSION (WD LETTER 28-19) DATED NOVEMBER 19, 2019, REGARDING THE TEXAS OPEN MEETINGS ACT GOVERNMENT CODE CHAPTER 551 ALLOWING THE USE OF VIDEO-CONFERENCING AS A METHOD FOR CONDUCTING BOARD MEETINGS, THE BOARD IS PROVIDING FOR PUBLIC PARTICIPATION IN ITS BOARD MEETING AT THE ADDRESS LISTED ABOVE AND VIA VIRTUAL MEETING WEB LINK. SHE ALSO SAID THE MEETING IS BEING RECORDED AND THE OPEN SESSION PORTION OF THE MEETING IS AVAILABLE TO THE PUBLIC UPON REQUEST. THE BOARD SERVES TWELVE (12) COUNTIES AND LISTED THE HOST LOCATION; AND PRESIDING OFFICER, KELLI MARSHALL, WAS PHYSICALLY PRESENT.**

**AFTER THE ROLL CALL, MS. MARSHALL CONFIRMED THAT A QUORUM WAS PRESENT:**

**Members Present:** Joe Clyde Adams, Rebekah Burkhalter, Tyane Dietz, Tim Ditoro, Robert Fitzpatrick, James Gentry, Phyllis Grandgeorge, Ethan Herr, Eddie Hopkins, Anita Humphreys, Malcolm Ifoezeh, Garvey Jackson, Gene Lee, Kelli Marshall, Ellen Mills, Rich Scott, John White

**Members Absent:** Lisa Balty, TJ Colwell, Wayne Haglund, Staci Hodges, Kotosha Jeffery, Matthew Lowery, Quincy Martindale, Benjamin Mott, Marisa Phillips, Randy Roberts, Jessica Rogers, John Allen Slocomb

**Board Staff Present:** Mark Durand, Debb Homman, Lauren Phipps, Maribel Soto-Mendoza, Karen Stubblefield

**Visitors:** Scott Amey, Jessica Blair, Kevin Bradford, LaTreasar Cartwright, Rhonda Cartwright, Lashanna Johnson, Michelle Kennedy, Shakia Roberts, Richard Rudel

**KELLI MARSHALL REMINDED THE BOARD MEMBERS OF THE CONFLICT OF INTEREST DECLARATION.**

Ms. Marshall asked that all members sign a conflict of interest declaration regardless of whether they have a conflict and return the form to Board staff.

**WELCOME OF GUESTS:**

Mark Durand introduced Richard Rudel, CPA, with Alexander, Lankford and Hiers, Inc., who will be reporting on the independent audit of the Board's financial position.

**II. Public Comments**

None

**III. Discussion/Action: Approval of Minutes – May 9, 2023**

Motion: Tyane Dietz made the motion to approve the minutes as presented.  
Second: Anita Humphreys  
In Favor: All  
Oppose: None  
Abstain: None  
Motion: Passes

**IV. Board Members Comments on Activity in their Respective Areas**

On behalf of Board Member, Lisa Balty, Mr. Durand thanked the members who have completed the Stephen F. Austin State University (SFASU) survey, and requested those who haven't completed the survey, to please do so.

**V. Executive Director's Report**

**A. Contracts/Agreements**

New/amended contracts included Dynamic Workforce Solutions (DWFS) contract amendments 4, 5 and 6. Amendment 4 added \$172 to Trade Adjustment Act (TAA) Direct Client line item to cover expenses of Trade participant enrolled in training. An additional \$28,404 was added to Re-Employment Services for staff salaries, fringe benefits, operations, and management fee. Amendment 5 was executed to add \$47,986 in funding to cover expenses incurred in the Middle Skills Employment Supplies Pilot Program. Amendment 6 added \$3,551.52 to Rapid Response services.

**B. Performance**

**Child Care:**

The Texas Workforce Commission (TWC) issued a mid-year adjustment target for the average number of children in care due to the increase in the cost of care per day (target average number of children per day for October 2022 – March 2023 was 2,277 and April – September 2023 is 2,349). The year-to-date April 2023 average children served per day was 2,360 (103.19%). The April 2023 average children served per day was 2,494 (106.17%). There are currently 43 Texas Rising Star (TRS) providers.

**Workforce:**

The April 2023 Monthly Performance Report (MPR) reflects exceeding or meeting 17 workforce measures and missing 4 measures. Two of the missed measures are Measurable Skills Gains (MSG). These credentials are not earned at the beginning of enrollment. MSG is entered upon completion of training. Adult MSG is expected to be met in May and Dislocated Worker MSG is expected to be met in July. The third missed measure is Adult Median Earnings, which is expected to be met in June. The Credential Youth continues to not meet performance. The workforce contractor is working to contact customers, but due to the low number of youth enrollments, this measure may not be met this program year. Board Member, Tyane Dietz, asked what is being done to try to meet this measure. Workforce Project Director, LaTreaser Cartwright, responded that a request has been submitted to TWC to review where information was not entered timely. If TWC approves the request to correct this error, this measure will be met.

**C. Contacts and Coordination Efforts**

Mr. Durand presented at several events, including the Deep East Texas Travel & Tourism Conference, the Deweyville ISD Career Signing Day, and the Nacogdoches Career Signing Day. Mr. Durand attended various other meetings and events, including the National Association of Workforce Board (NAWB) Executive Boot Camp virtual meeting, the ribbon cutting for Congressman Pete Sessions, and the Tyler County Forum on Rural Economic Development.

**D. Rules and Legislation Update**

Mr. Durand mentioned various legislative items, some of which will directly affect the Board. Representative Trent Ashby has been attending special sessions with legislative issues on property taxes.

**E. Funding**

No additional funding this period.

**F. Other Activity and Administrative Matters not requiring action by the Board**

Mr. Durand reported the April 2023 unemployment rate of 4.4% decreased from the month prior, with the March 2023 rate being 5.0%. The 2022 annual unemployment rate was released, with a rate of 5.0% (a significant decrease from the 2021 rate of 6.9% and the 2020 rate of 8.1%). Mr. Durand reported on the fire that damaged a significant portion of the Portacool facility, affecting numerous employees across several counties, including Shelby County, San Augustine County, Sabine County and Nacogdoches County.

**VI. Committee Reports**

**A. Operations Committee**

**1. Committee Activity**

**2. Discussion/Possible Action**

No action to come before the Board.

**B. Business Services Committee**

**1. Committee Activity**

**a. Business Services Report**

Workforce staff presented their Business Engagement Report. Lashanna Johnson reported on employer relationships, stating the 2<sup>nd</sup> quarter 2023 (Q2) number for new employers in WorkinTexas.com was 101 (goal of 100 per quarter), with a year-to-date (YTD) total of 234 new employers (goal of 400 for the year). The number of job referrals for Q2 was 4,681 (goal: 4,670). The job order fill rate for Q2 was 16% (goal: 16%). Ms. Dietz noted to the Board that it is not easy to track the job filled rates. Ms. Dietz asked staff if they feel there are any weaknesses that have been identified with tracking this rate. Workforce Project Director, LaTreaser Cartwright responded that it is difficult to track the jobs filled rate for the state jobs. Ms. Johnson reported the most cited training/certification preferences of employers, with Microsoft as the leading preference. The most cited concerns of employers include staffing, supply chain issues, lack of skilled applicants, and funding. For Q2, 125 hiring/recruiting events took place (goal of 92 events for the year). Reported hires from these events total 163. Shakia Roberts presented the training completion and placements numbers. A total of 97 participants have been enrolled in training, of which 25 are currently attending training, 60 have completed training, and 12 did not complete training. Of the 60 participants that have completed training, 32 have been placed in employment.

**2. Discussion/Possible Action**

**a. Action Item 23-10 Employer Awards**

TWC has requested nominations to recognize the exceptional work of Texas private-sector employers that operate a business in the local workforce development area, and that are in good standing overall and, specifically, with the Texas Workforce Commission Tax department. The Board requested nominations in the categories of Small Employer, Large Employer, Veteran-Friendly, and Local Employer of Excellence from the workforce contractor, Board members, economic developers, and chambers of commerce. The Business Services Committee based their nominations of the employers' use of WorkinTexas.com for job postings, the employers' partnership with Workforce Solutions Deep East Texas (WSDet), and the employers' utilization of WSDet services. The Business Services Committee requests approval in the form of a motion for the following nominations: Shady Acres Health & Rehab – Newton for Small Employer of the Year; GVCS – Whataburger East Texas for Large Employer of the Year; Lockheed Martin for Veteran-Friendly Employer of the Year; and STI Group for Local Employer of Excellence.

Motion: The Business Services Committee requested approval of the Employer Awards nominations as presented.  
Second: Robert Fitzpatrick  
In Favor: All  
Oppose: None  
Abstain: None  
Motion: Passes

### **C. Executive/Finance Committee**

#### **1. Committee Activity**

Mr. Durand provided updates regarding the Tri-Agency Regional Convener Grant. As required by the grant, the Board hired an additional full-time employee (FTE) to serve as the Regional Convener Coordinator, Jeff Eichman, who started on June 5, 2023. Mr. Eichman has an educational background and is familiar working with grants. The second FTE will be a current board staff member, Josh Fleming, who will be transitioning into the Work-Based Learning Coordinator position upon final approval receipt of the Texas Education Agency (TEA) Notice of Grant Award (NOGA). Other current staff members and the workforce contractor staff will support the project. The team met with our assigned Jobs for the Future (JFF) coach on Tuesday, June 8, 2023, for an orientation meeting. The team also discussed a draft agenda for the upcoming onsite July 17-18, 2023, Tri-Agency Grant JFF visit. The Tri-Agency Grant team conducted a virtual meeting with all state grant awarded entities and their regional conveners on June 8, 2023. The collaborative meeting focused on the creation of the Pathways Leadership Team facilitated by our JFF coach. Several members of Tri-Agency Grant team also attended the statewide deep dive meeting held on Thursday, June 15, 2023. The collaborative meeting focused on the creation of the Pathways Landscape Map facilitated by our JFF coach. The Tri-Agency Grant Regional Convener Coordinator has been contacting key stakeholders across the twelve counties within Deep East Texas to discuss the possibility of serving as a member of the pathways leadership team.

#### **2. Discussion/Possible Action**

##### **a. Action Item 23-11 Annual Audit**

Alexander, Lankford and Hiers, Inc. Certified Public Accounts conducted an independent audit of the Board's financial position as of September 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. Mr. Rudel, CPA, with Alexander, Lankford and Hiers, Inc., presented the audit report to the Committee, focusing primarily on the schedule of findings and questioned costs which reflected no significant deficiencies or findings. Mr. Rudel stated no difficulties were encountered in conducting the audit.

Motion: The Executive/Finance Committee recommended for acceptance of the annual audit as presented.

Second: James Gentry

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

##### **b. Action Item 23-12 Renewal of Child Care Services Contract**

The initial Child Care Services contract with Goodwill Industries of Central East Texas, Inc. (GWI) was for one year, October 2020 through September 2021. The RFP allows for the contract to be renewed for up to four additional one-year periods after the initial contract, not to exceed a total of five years. If approved this will be the 3rd renewal which will be for the period October 1, 2023 through September 30, 2024. Board staff contracted with Diaz, Smith, and Associates (DSA) to conduct the annual fiscal integrity evaluation of GWI. DSA reviewed

the current contract, organization chart, audit reports, cost allocation plan, cash management systems, monitoring reports, insurance and bonding, property inventory, conflict of interest, policies and procedures, and adverse judgments. DSA determined GWI materially compliant in all areas of the review. GWI is currently meeting year-to-date performance (106.17%). TWC determined there were no findings in either fiscal or programmatic reviews during TWC's annual monitoring. Board staff reviewed the contract for GWI and requested authorization from the Board to begin negotiations for the 2023-2024 contract year with GWI.

Motion: The Executive/Finance Committee recommended for approval to renew the Child Care Services contract as presented.

Second: Joe Clyde Adams

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

**c. Open Session Action, if any, as a result of Closed Session**  
None

**3. Discussion and Acceptance of Financial Reports**

**a. Financial Reports for April 2023**

- **Statement of Financial Position**
- **Budget vs. Actual**
- **Grant Report**

Finance Director, Maribel Soto-Mendoza, provided financial updates for April 2023. Mr. Durand reviewed the Contracts Outstanding report, stating no concerns. On a motion by Gene Lee, and seconded by Ellen Mills, the financial reports were accepted.

**VII. Adjourn**

Chair Kelli Marshall adjourned the meeting at 3:37 p.m.

Duly passed and approved on this 8<sup>th</sup> day of August 2023

  
Kelli Marshall, Chair

Attest

  
Lauren Phipps, Planning and Policy Specialist